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October 29, 1998

BY HAND DELIVERY (original and one copy)

Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED

OCT 29 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex Parte Presentation in CC Docket No. 98-146 (Advanced Services NOI)

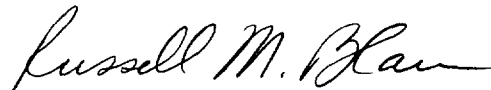
Dear Ms. Salas:

Pursuant to Section 1.1206(a) of the Commission's Rules, 47 C.F.R. § 1.1206(a) (1997), this is to provide notice of an *ex parte* presentation in the above-referenced proceeding on October 28, 1998, by Joseph Sandri and Barry Ohlson of WinStar Communications, Inc. ("WinStar"), and the undersigned, to Johnson Garrett of the Office of Plans and Policy; Alexander Byron and Benjamin Freeman of the Wireless Telecommunications Bureau; and Jennifer Fabian of the Common Carrier Bureau. The purpose of the meeting was to discuss WinStar's plans for deployment of fixed wireless point-to-multipoint technology in the local loop, including the operating characteristics and economics of this technology; and to discuss WinStar's concerns regarding access to multi-tenant buildings and inside wiring as set forth in its comments and reply comments in this docket.

Copies of the attached written materials were provided to the FCC participants at the meeting.

Should any further information be required with respect to this *ex parte* notice, please do not hesitate to contact me.

Very truly yours,



Russell M. Blau

Enclosures

cc (w/o enc.): All Participants

No. of Copies rec'd
LIST ABOVE

01/

WINSTAR®

The WinStar Mission

***Bring People Into the Information Age
Through High Quality
Wireless Broadband Services,
and Help Our Customers, Use Our Network to
Productively Share Information***

WINSTAR

The WinStar Opportunities

Regulatory Change Opening Local Telephone Markets to Competition

High Growth in Demand for Broadband Communications Circuits

Global Corporations Increasingly Looking for Customized End-to-End Solutions

WINSTAR 

WinStar Today

**Uniquely Positioned to Become a Ubiquitous
Provider of Low Cost Broadband Connectivity**

**A Business Model Which Emphasizes High
Growth Over Short Term . . . Growth and
Excellent Profitability Over the Long Term**

**The Only Independent CLEC With a National
Network and Bandwidth in All Top 50 Markets**

WINSTAR

The WinStar Advantages

Lowest Cost Provider of Broadband Connectivity

Unmatched Speed to Market

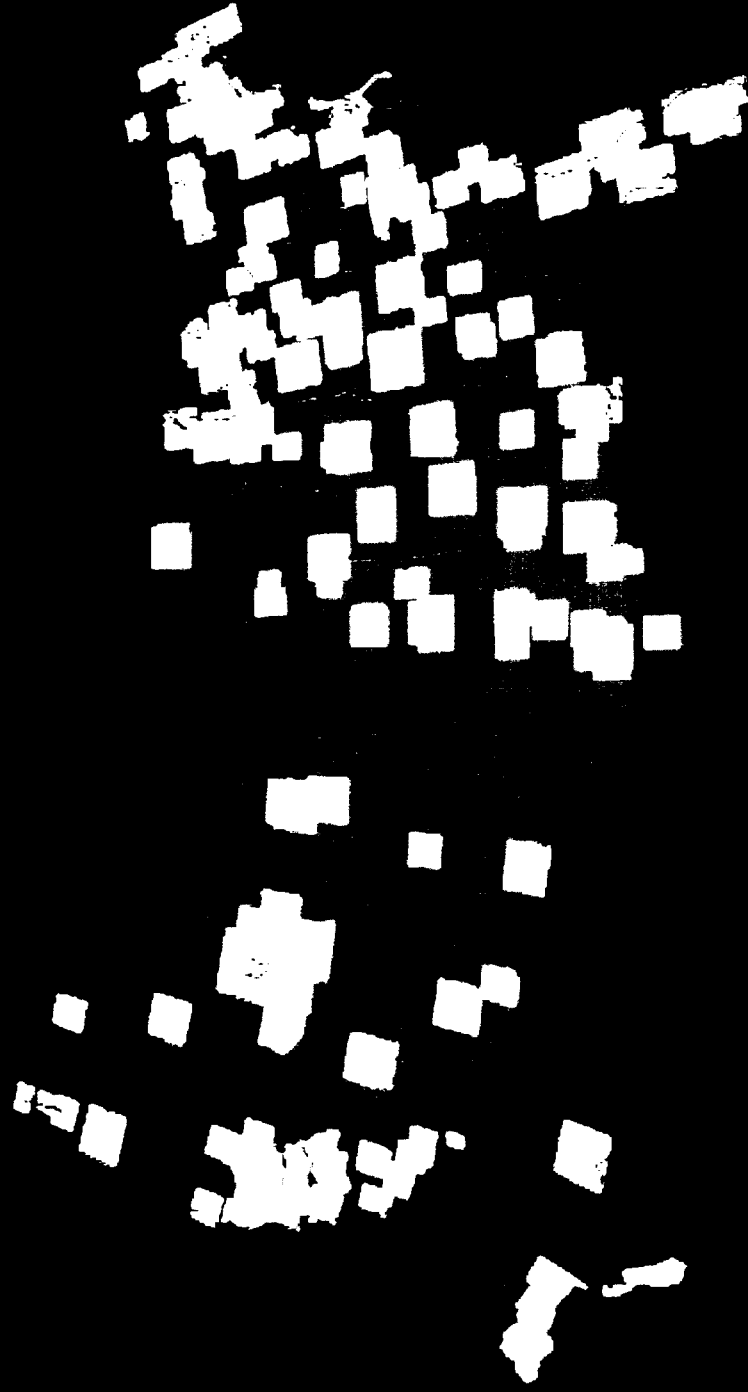
Unencumbered by Legacy Systems

**National Integrated Voice and Data Network
Reaching 30 Major Markets This Year**

**Veteran Management Team Skilled in Attacking
Monopolies**

WINSTAR

38GHz Licenses Provide Average Bandwidth of 750MHz in Top 50 Markets

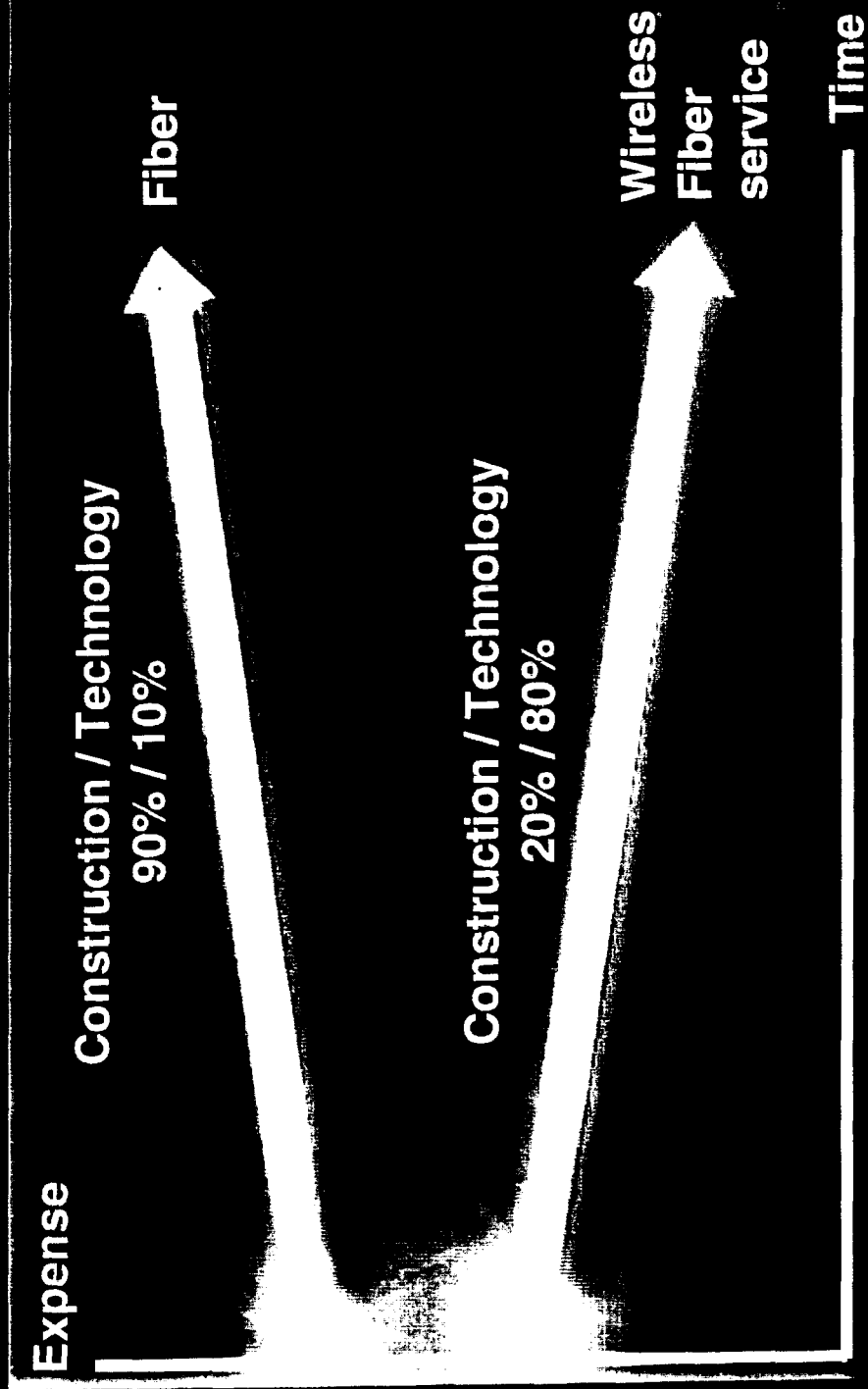


**Covered Population of Almost 200 Million
One Billion Channel POPs**

WINSTAR

WinStar's Enduring Cost Advantage

Cost to Build New Capacity: Fiber vs. Wireless Fiber Service



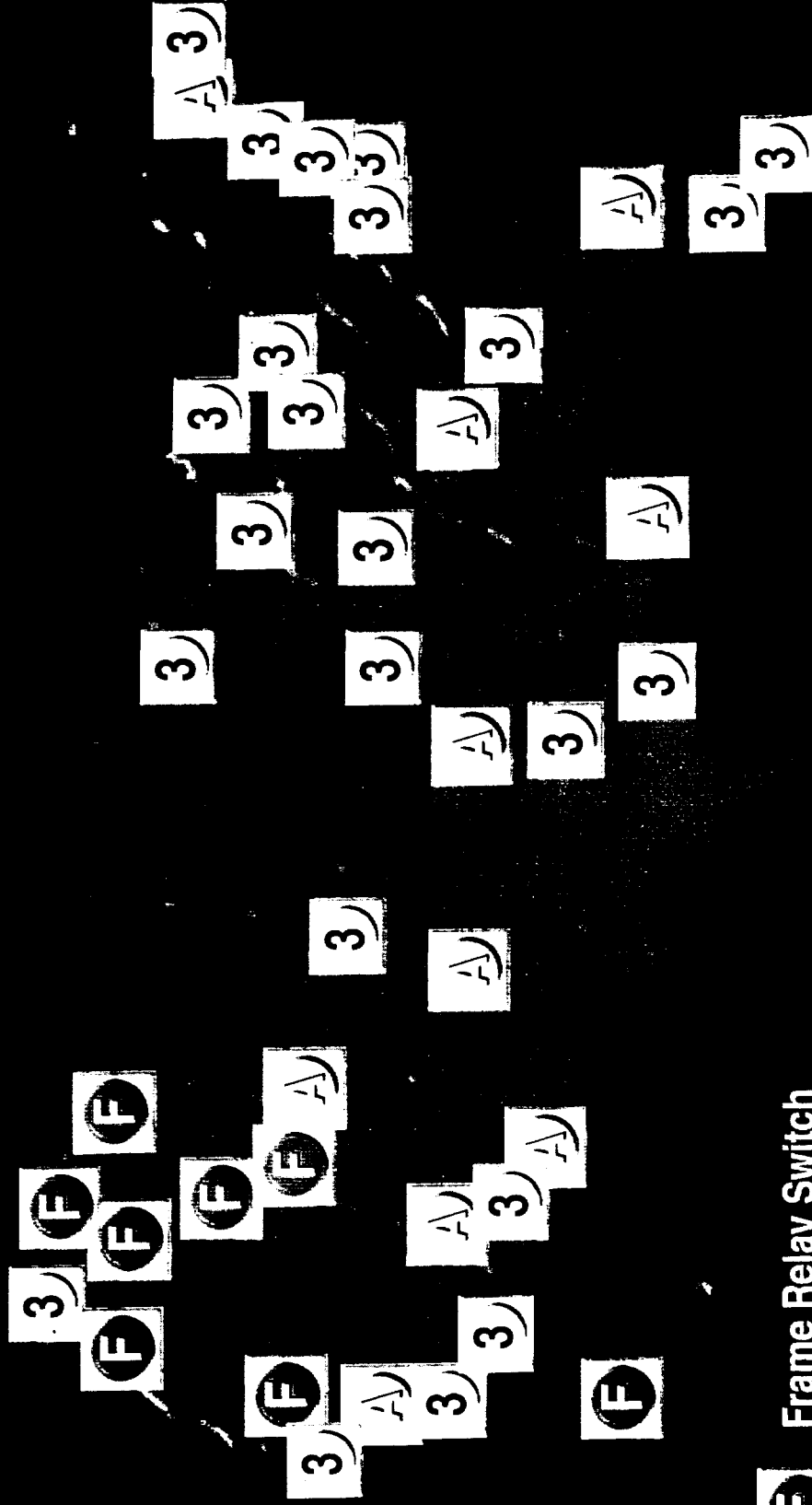
WINSTAR

An Expanding National Presence

	Current	Projected
<i>Major Markets with CLEC Sales Offices</i>	24	50+
<i>CLEC Field Sales Personnel</i>	400	600
<i>Major Markets Covered by Interconnect Agreements</i>	44	50+
<i>Major Markets with CLEC Authorizations</i>	48	50+

WINSTAR

Voice & Data Switches to Serve Integrated 30 City Network by Year End



Frame Relay Switch



ATM Switch

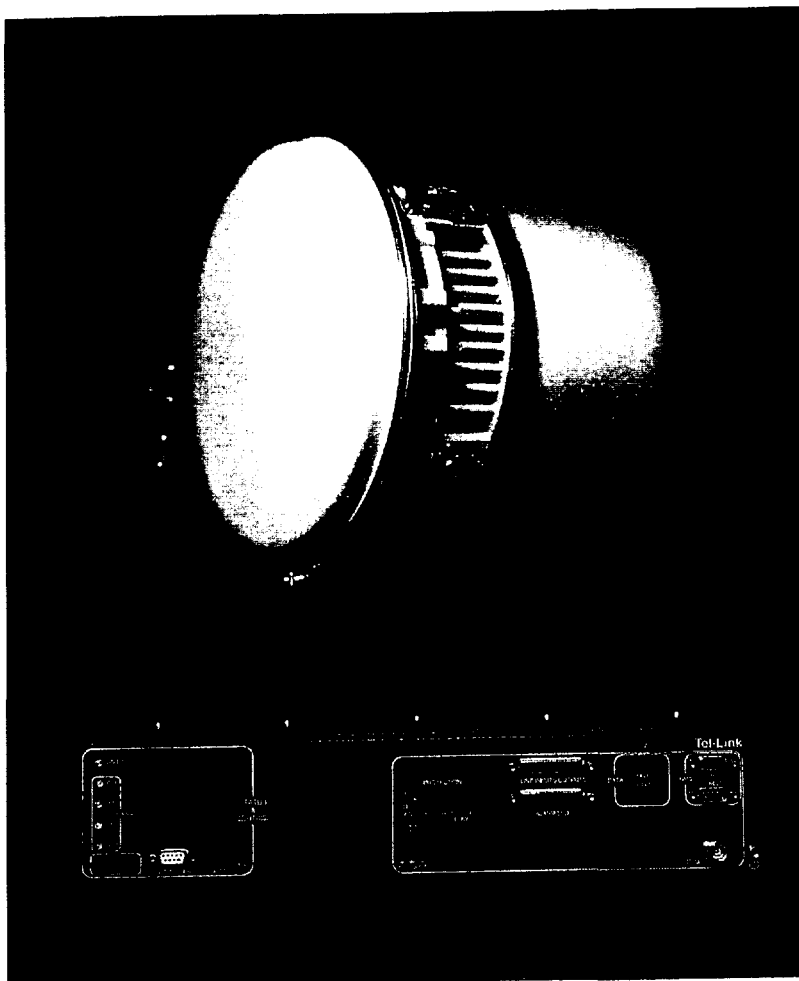


Voice Switch, Frame Relay Switch and
ATM Switches Present

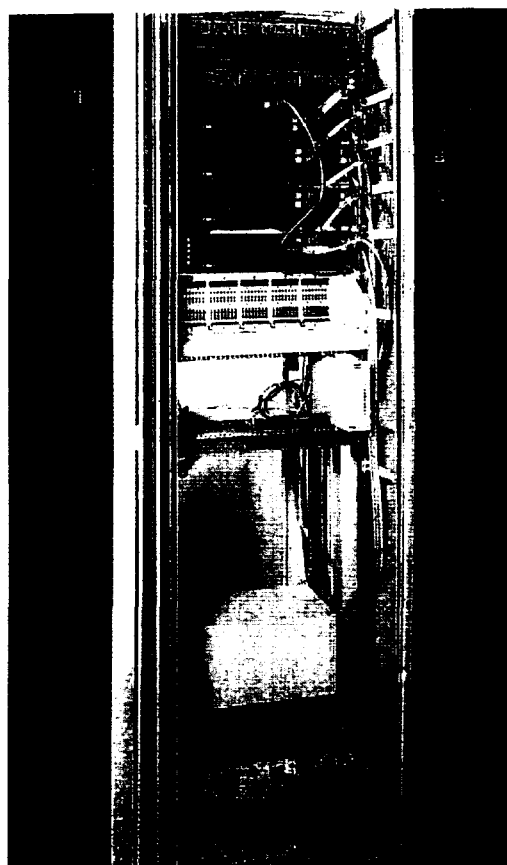
WINSTAR

WinStar Elements

12-Inch Antenna with
Indoor Unit (IDU)

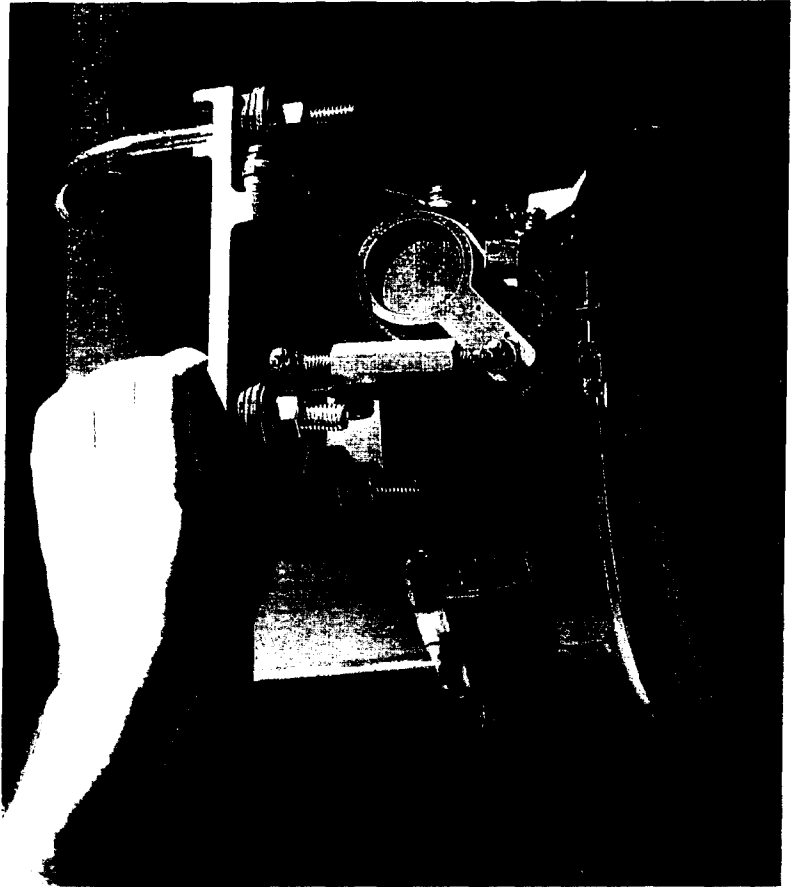


22-Inch Telecommunications
Equipment Cabinet



WinStar Elements

WinStar installs a small, unobtrusive (12" diameter) millimeter wave dish(es) on the building rooftop (often invisible from the street). Installation is quick and simple, and requires no underground construction or right-of-way acquisition.



WinStar Point to Multipoint Metropolitan Area Network

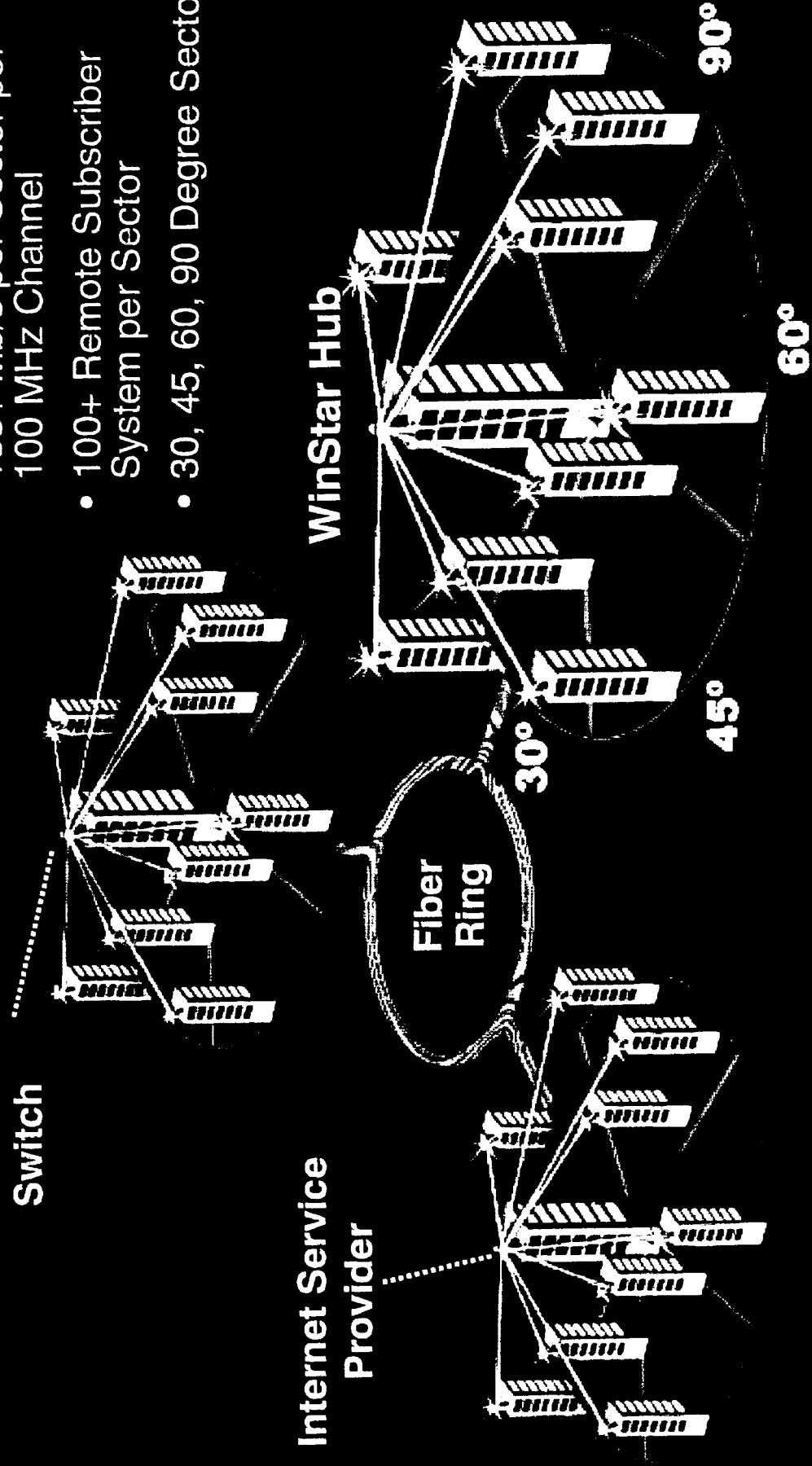
WinStar Local
Switch

- 155+ Mb/s per Sector per 100 MHz Channel
- 100+ Remote Subscriber System per Sector
- 30, 45, 60, 90 Degree Sector

Internet Service
Provider

WinStar Hub

Fiber
Ring



Benefits to Multipoint Network Architecture

More Efficient Use of Spectrum

Lower Network Build-Out and Operating Costs

Bandwidth on Demand

Significantly Expands Addressable Market

Integrates Voice / Video / Data Network

WINSTAR

A Large Universe of Buildings Needing More Bandwidth

**Of 750,000 Office Buildings in U.S., Less Than
10,000 Have Been Directly Reached By Fiber**

**WinStar Should Have Access to 4,000 Buildings
by Year-End . . . 8,000 in 1999**

**WinStar's Wireless FiberSM Technology is the
Best Method for Extending Broadband Networks
to Customers**

WINSTAR 

Moving Customers Onto Our Network

**Establish Universe of Target Buildings That Will
Be Put Onto Our Wireless Network**

**Sell Services Into Target Buildings...
Resale First... Then Move Customers On-Switch
and On-Net as Network Infrastructure Expands**

WINSTAR 

Moving Customers Onto Our Network

**30% of Installed Lines at End of First Quarter
Were Routed Through Our Switches**

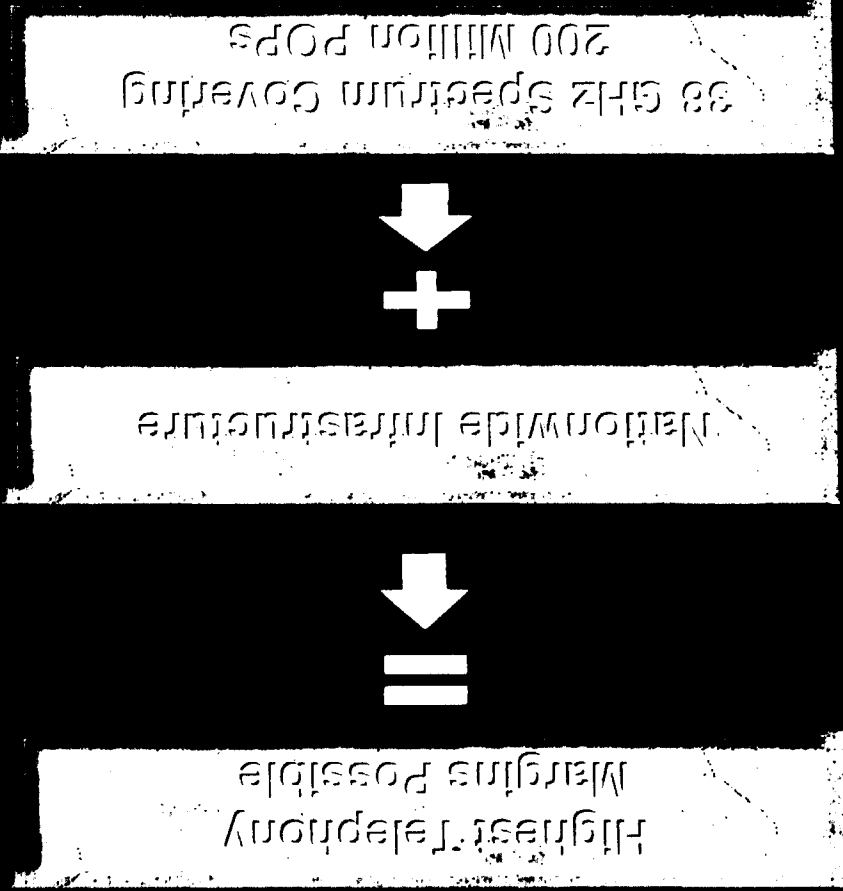
**15% of Installed Lines Were Completely
On Our Network**

Target for Mature Cities:

- 90% Switch**
- 66% On Network**

WINSTAR

Economics of On-Net Strategy



Gross Margin
60-70%

Gross Margin
25-30%

Gross Margin
15-20%

- On-net and Switched Local Services
- Long Distance
- Internet Service
- Broadband Data Services
- Other Info Services
- Local Switched Services
- Resale of Long Distance
- Resale of Local, Long Distance and Internet Services

Highest Gross Margins
in CLEC Business



Telecommunications Revenues Now Derived From Three Sources

Small and Medium-Sized Businesses

Large Businesses

Broadband Data

WINSTAR 

Broadband Data Services

Rapidly Growing \$30 Billion Market

**Expanded Services Offering Enables WinStar
to Target Large Businesses**

**ATM, IP, Frame Relay Data Transport Over
National Backbone**

LAN / WAN Professional Services

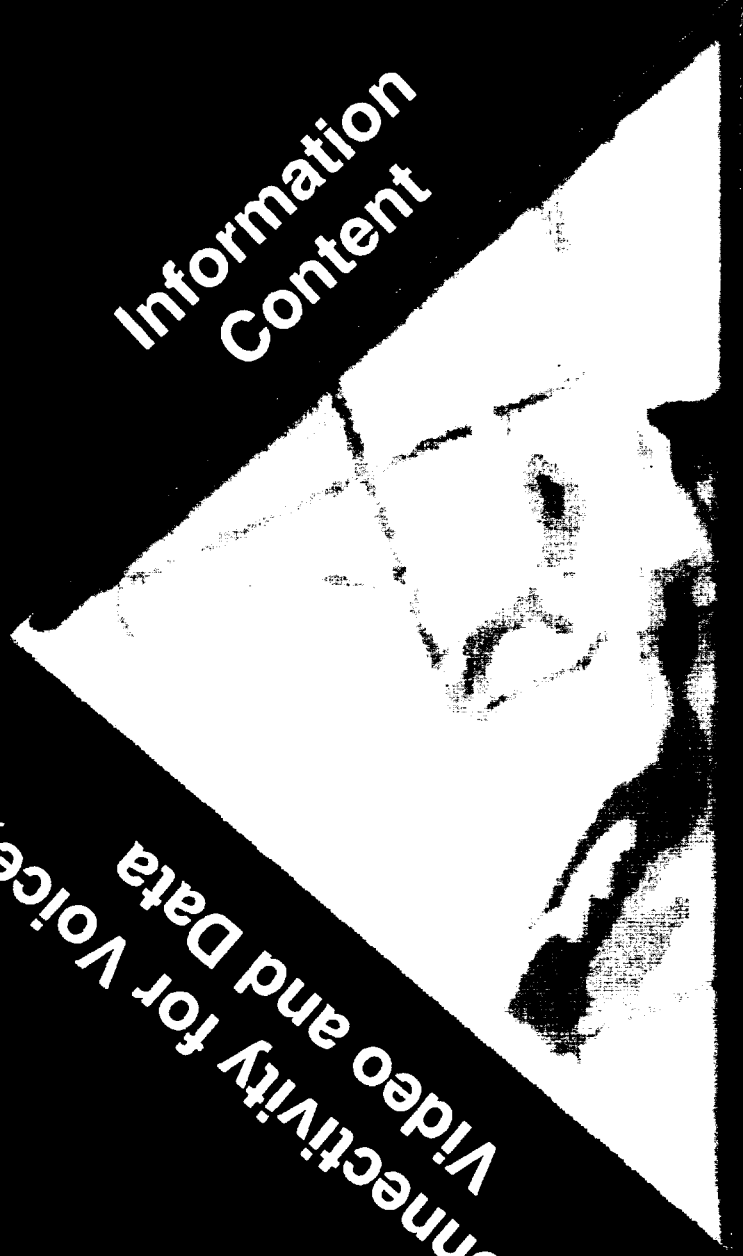
Equipment Vendor / Channel Partnerships

WINSTAR

Building A Convergence Company

Connectivity for Voice,
Video and Data

Information
Content



Broadband Capacity

WINSTAR

Information Services Are Integral to WinStar Opportunities

Information Content for Business and Education

Delivered Over Broadband Circuits

**Adds Value and Differentiates Our
CLEC Services**

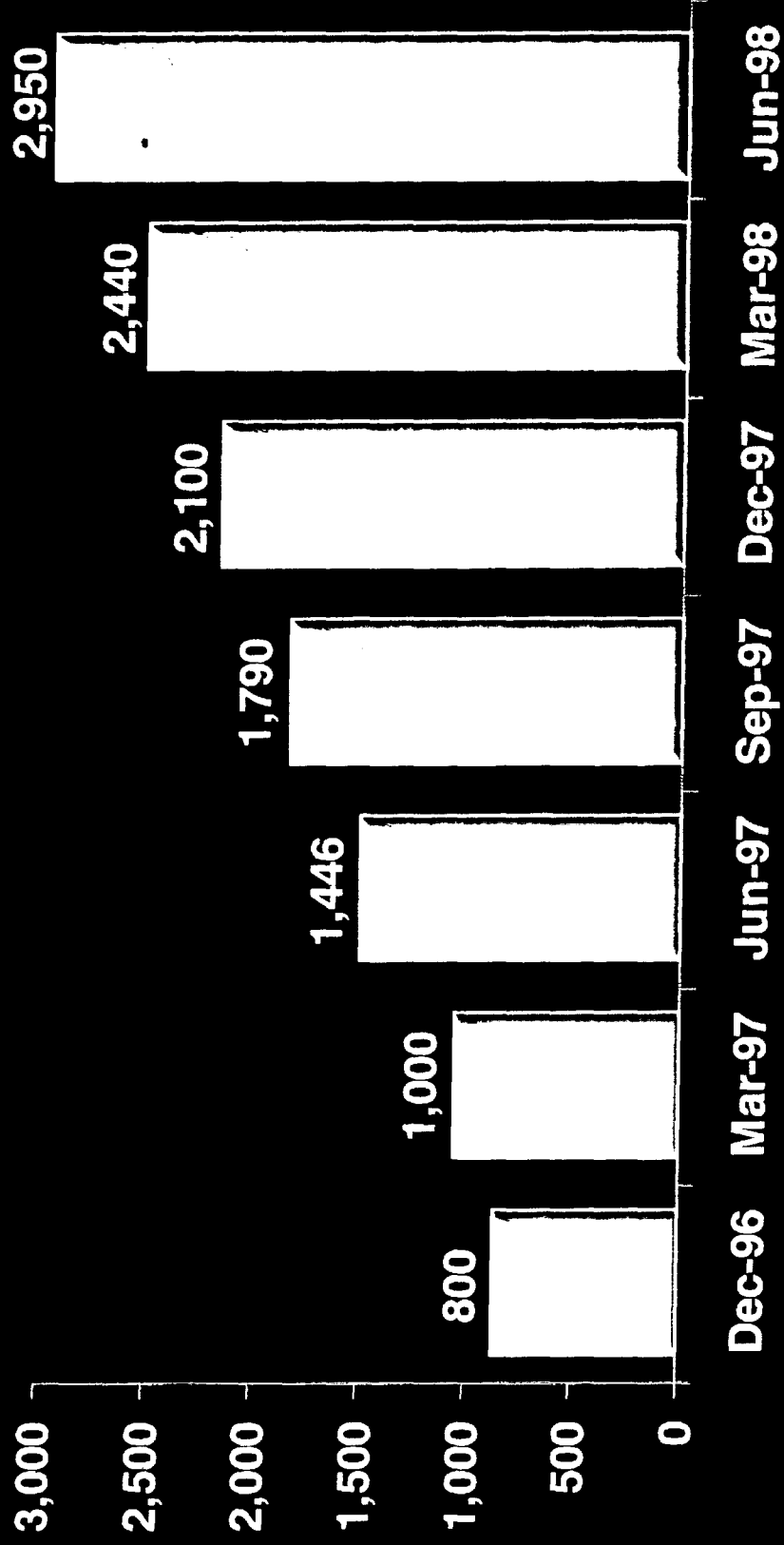
Should Aid Customer Retention

**Being Developed with Independent
Capital Resources**

WINSTAR

Important Measurements of Progress

Roof Rights



WINGSTAR

Important Measurements of Progress

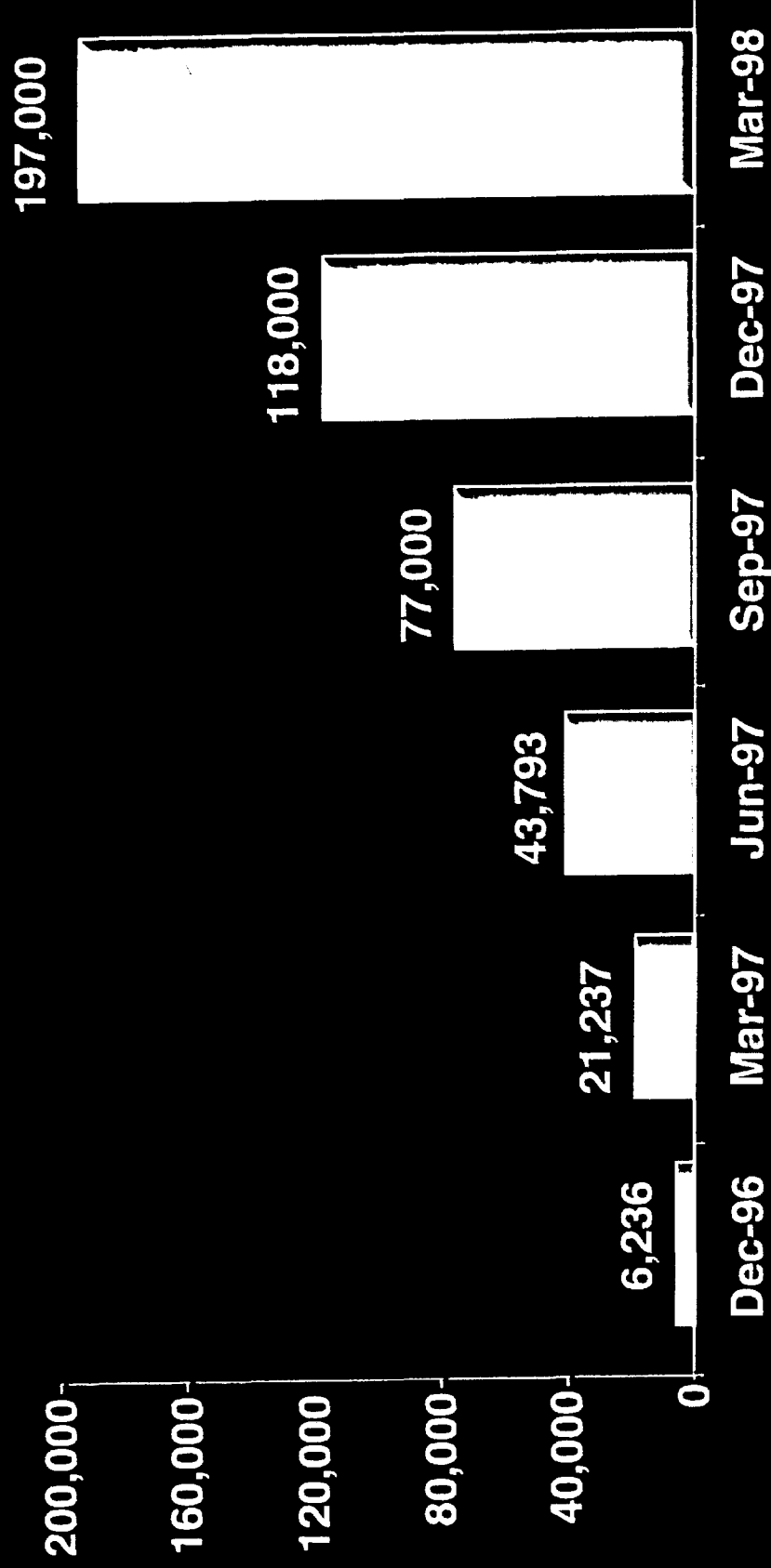
Customers With Installed Lines



WINSTAR

Important Measurements of Progress

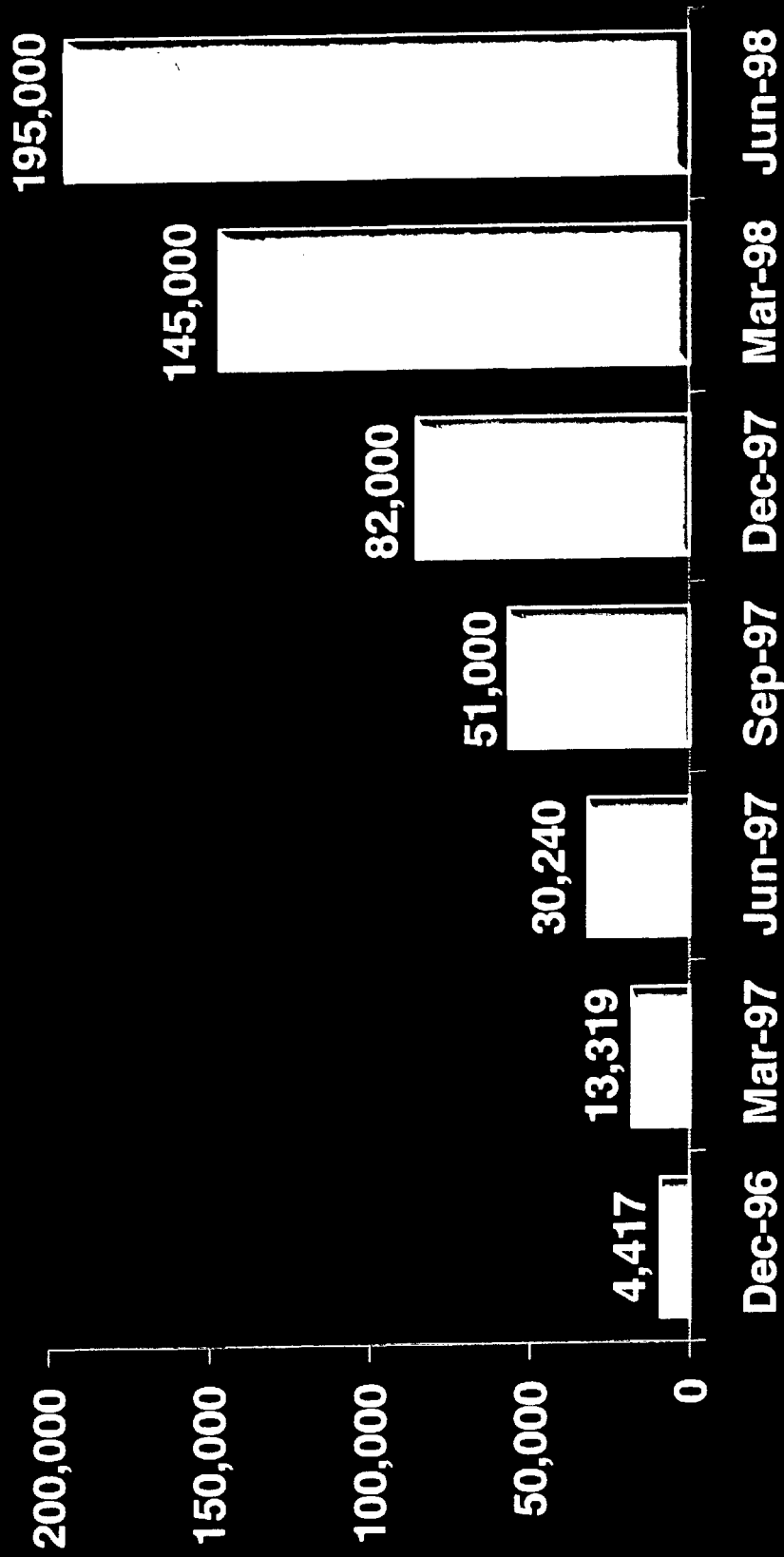
Cumulative Lines Ordered



WINSTARK

Important Measurements of Progress

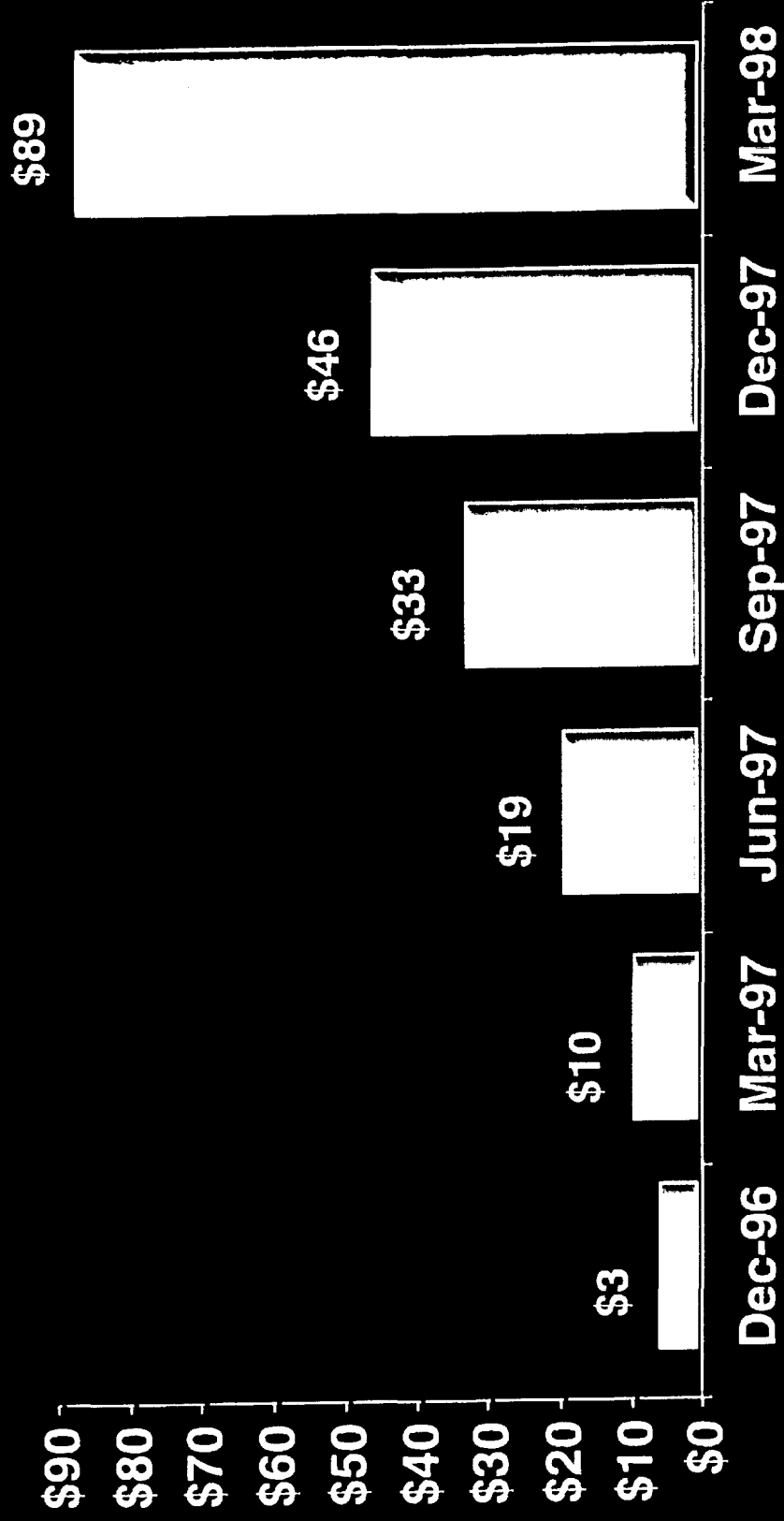
Cumulative Lines Installed



WINSTARK

Important Measurements of Progress

Annualized CLEC Revs (in millions)



WINSTAR

Driving Toward Our Potential

**Deploying as Much Network as Possible
as Fast as Possible**

**Looking for Acquisitions Which Enhance
Revenues and EBITDA**

**Open to Strategic Partnerships Which Enable
WinStar to Reach More Buildings and More People**

Continuing to Invest in Spectrum

Expanding Our Vision to Global Opportunities

WINSTAR 

Outlook

Further Strong Gains in Revenues

Continued Gross Margin Improvement

Continued Decline in SG&A Ratio to Sales

Gradually Declining EBITDA Losses

Make the Information Superhighway a Reality

WINSTAR



CONTACTS:

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Director, Capital Market Relations
(212) 584-4032

Press:

Gary Holmes
(212) 584-4098

**WINSTAR LAUNCHES BREAKTHROUGH MARKETING PROGRAM
Free Local Phone Service Until the Year 2000
Company Unveils Extensive Built-Out Network in Over 1,000 Newly Connected Buildings
in Key Markets**

NEW YORK - OCTOBER 27, 1998, WINSTAR COMMUNICATIONS, INC. (NASDAQ: WCII) today launched an unprecedented breakthrough marketing campaign - "Project Millennium" - that will include free local phone service to business customers until the year 2000. This exciting offer will be made to customers in more than 1,000 newly connected commercial buildings in 13 of the 27 markets in which WinStar currently provides fixed wireless broadband telecommunications and information services, allowing WinStar to share the overwhelming cost advantages of its network with its customers.

Even beyond the year 2000, participating customers will continue to enjoy double-digit savings every day over the local exchange carriers' base rates. Project Millennium WinStar customers will also receive a flat long distance rate of 9 cents per minute, 24-hours a day, with no conditions.

As part of its ambitious national network rollout, WinStar is extending this offer to more than 1,000 specially targeted buildings that are newly connected to its network. WinStar will pick up the tab on local phone service -- up to \$1,000 per month -- until the year 2000 for first-time customers in designated "WinStar buildings" who sign a three year contract between October 31, 1998 and January 31, 1999.

"Project Millennium is a leapfrog strategy that will make WinStar the undeniable marketing leader in the local phone business," said Nathan Kantor, WinStar's President and Chief Operating Officer. "Project Millennium will be as powerful to the local business customer as 'Friends and Family' was to the long distance customer and it will forever change the way that telecommunications services are sold in the local market. People already know us for our innovative building-centric marketing strategies, such as our lobby events and our very targeted attention-grabbing direct mail, and Project Millennium will take us to a whole new level.

Winstar Communications, Inc.

1146 19th Street, N.W. • Suite 200 • Washington, D.C. 20036 • TEL 202 833 5678 • FAX 202 659 1931

"Because these specially targeted buildings are now on the WinStar network, we will be able to add new customers quickly and efficiently," Mr. Kantor continued. "Consequently, Project Millennium will allow us to share the overwhelming cost advantages of our network with our customers and give them a true alternative to the local exchange companies."

WinStar currently has over 3,500 building access rights in its 27 markets. Over 1,000 of these buildings were chosen to be part of the campaign in 13 of those cities. As a result of this program, WinStar expects to significantly increase its penetration in these buildings and dramatically raise the overall percentage of customer lines on its network.

"Until today, no one outside WinStar knew how extensively we had built out our network or that we had set aside these buildings for this special promotion," said William J. Rouhana, Jr., WinStar's Chairman and Chief Executive Officer. "By increasing the number of on-net customer lines through this promotion, we will dramatically increase gross margins, which will contribute immediately to WinStar's bottom line. Project Millennium, combined with our new \$2 billion partnership with Lucent, gives us a powerful one-two punch. By providing us the financial muscle to expand our network buildout to even more buildings in even more cities, the Lucent partnership makes every year a new Millennium for us."

WinStar recently entered into a \$2 billion strategic relationship with Lucent Technologies to expand the buildout of its broadband network to 100 cities worldwide. The Lucent relationship propels WinStar to the leadership position among independent telecommunications companies that are challenging the local exchange carriers at the local level because it gives WinStar the flexibility and resources to build the world's first end-to-end broadband network.

Cities involved in the promotion include:

Atlanta, GA	Chicago, IL	Houston, TX	Philadelphia, PA
Baltimore, MD	Dallas, TX	Los Angeles, CA	San Diego, CA
Boston, MA	Denver, CO	New York, NY	San Francisco, CA
Washington, DC			

WinStar Communications, Inc. is a facilities-based national local communications company, serving business customers in major markets throughout the U.S. The company provides local and long distance phone service and high speed data, Internet access and information services. WinStar provides these Wireless FiberSM services over its own network, using its licenses in the 28 and 38 GHz spectrum.

Except for any historical information contained herein, the matters discussed in this press release contain forward-looking statements that involve risks and uncertainties, which are described in WinStar's SEC reports, including the 10-K for the period ended December 31, 1997 and the 10-Q for the period ended June 30, 1998.

WinStar is a registered trademark, and Wireless Fiber is a service mark of WinStar Communications, Inc.

William J. Rouhana, Jr., Chairman and Chief Executive Officer of WinStar, said, "This is a defining moment for WinStar. Lucent's major commitment of expertise and financing, combined with the overwhelming speed-to-market and cost advantages of WinStar's business model, clearly propels us to the top of the competitive local exchange carrier industry. With Lucent's network knowledge behind us, we are positioned to be the first competitive carrier to create a nearly ubiquitous end-to-end broadband network in the top 100 world markets.

"WinStar was already fully financed to build out its 40 city plan and achieve positive EBITDA by the year 2000," Rouhana continued. "We are now at a new level, with enough capital to achieve positive net income and control over when we build out our network in up to 100 cities around the world. We now have the opportunity to aggressively plan for our expansion into the top 50 domestic markets and into the international marketplace as well."

Carly Fiorina, group president of Lucent's Global Service Provider business, said, "We are proud and excited that WinStar selected Lucent to design and build the kind of feature-rich network that will enable it to serve its customers better. WinStar is revolutionizing the way that businesses receive and use broadband telecommunications services and we are excited about furthering that revolution through this strategic relationship. This complete network solution will showcase the breadth of Lucent's product lines, the value of Bell Labs innovations and our unmatched expertise in helping customers design, build and turn up their networks quickly and profitably."

Nathan Kantor, President and Chief Operating Officer of WinStar, said, "With its world class technology, scale, and state-of-the-art expertise, Lucent is the most prestigious and desirable company with which to have this kind of strategic relationship. WinStar and Lucent will work hand in hand in every aspect of our network buildout. Lucent has the broad resources necessary to ensure that we maintain the highest standards of quality and reliability throughout our expansion, which will enable us to increase our focus on building the customer base and to achieve national ubiquity faster than anyone thought possible."

Under the agreement:

- Lucent will provide network design, integration and buildout services for WinStar's end-to-end global network, encompassing a flexible, scalable architecture to accommodate WinStar's present and future voice and data service offerings. WinStar will continue to operate and maintain final design authority for its network.

- Lucent will provide its superior technology and equipment for this state-of-the-art network. Lucent will also access, test and integrate all elements in WinStar's network, including equipment from other manufacturers.

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WinStar plans to implement a nationwide fixed wireless broadband local network that will be integrated with an optical network that will use Lucent's 80-channel dense wave division multiplexing (DWDM) optical networking equipment. Lucent's WaveStar™ OLS 400G dramatically boosts the capacity of fiber optic networks by transporting up to 80 wavelengths, or channels, of voice, data and video traffic simultaneously on a single fiber.

The network solution also includes Lucent's flagship product, the 5ESS® AnyMedia™ switch and the AnyMedia™ Access FAST digital loop carrier. Lucent will also supply PortMaster™ Internet protocol remote access technology, remote access concentrators, its network management software and professional services as well as power equipment.

Lucent Technologies, headquartered in Murray Hill, N.J., designs, builds and delivers a wide range of public and private networks, communications systems and software, data networking systems, business telephone systems and microelectronic components. Bell Labs is the research and development arm for the company. For more information on Lucent Technologies, visit our web site at <http://www.lucent.com>.

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**WINSTAR AND HUGHES NETWORK SYSTEMS ENTER STRATEGIC
RELATIONSHIP FOR NATIONWIDE DEPLOYMENT OF
POINT-TO-MULTIPOINT BROADBAND FIXED WIRELESS NETWORKS**

**Second Generation Technology Lowers Network Costs and
Expands Market Opportunity**

NEW YORK - August 10, 1998, WINSTAR COMMUNICATIONS, INC. (NASDAQ-WCII) and Hughes Network Systems (HNS, a unit of Hughes Electronics) have announced an agreement for Hughes to provide second generation point-to-multipoint equipment for nationwide deployment in WinStar's broadband fixed wireless network.

"The Hughes equipment, when deployed later this year, will provide WinStar's voice and data network with the most advanced point-to-multipoint technology available," said Nathan Kantor, WinStar's President and Chief Operating Officer. "Based on our specifications and HNS' significant TDMA system experience, the new equipment will significantly increase the transmission capacity of our spectrum while reducing network deployment and operating costs."

This agreement follows two years of collaboration between Hughes and WinStar, the nation's leading provider of broadband fixed wireless telecommunications services. WinStar, in cooperation with other equipment suppliers, successfully tested point-to-multipoint technology in Florida during 1997, and is currently operating a demonstration network in Washington, D.C. and Tysons Corner, Virginia, prior to commercial deployment in late 1998.

The Hughes second generation TDMA point-to-multipoint system improves the utilization of the company's spectrum, allowing WinStar to provide up to four full duplex DS-3 clear channel circuits of capacity per 100 MHz channel, while permitting the centralization of service provisioning, configuration management and network monitoring functions. A fully networked point-to-multipoint infrastructure offers unprecedented versatility in services provided as well as improved operational efficiency. Customers will benefit from the provision of such varied services as enhanced voice, video conferencing, native LAN-LAN interconnections, MPEG-2 video and high-speed Internet access on a single fully integrated local metropolitan area ATM transport network. Point-to-multipoint fixed wireless technology combines the benefits of end-to-end ATM transport with bandwidth on demand for high capacity bi-directional voice, data and video services.

WinStar Communications, Inc.

230 Park Avenue, Suite 2700, New York, NY 10169 • Tel 212 584 4000 Fax 212 867 1565

"Point-to-multipoint technology and economics significantly expand WinStar's addressable market by enabling WinStar to cost-effectively serve customers in a much greater number of buildings," Kantor added. "For the first time, the resources and features of the much-heralded information superhighway will be affordable to nearly everyone, at speeds in excess of 200 megabits per second. Such speeds have previously been associated only with high-capacity, high-cost private corporate data networks."

"WinStar's real world experience providing wireless broadband communications services to customers, coupled with Hughes' wireless networking systems expertise, provide a unique combination to create a world-class broadband system solution," said Pradeep Kaul, Executive Vice President at HNS. "HNS is excited about the opportunity and the potential it creates for leading the industry into a new paradigm for delivery of broadband services."

The Hughes equipment is compatible with all of WinStar's existing point-to-point and point-to-multipoint equipment and continues WinStar's strategy of using multiple vendors. It will be incorporated into WinStar's existing demonstration network in Washington, D.C. by November of this year.

WinStar Communications, Inc. is a national local communications company serving business customers, long-distance carriers, fiber-based competitive access providers, mobile communications companies, local telephone companies and other customers with broadband local communications needs. The company provides its Wireless FiberSM services using its licenses in the 28 and 38 GHz spectrum. The company also provides long distance and information services.

Headquartered near Washington, DC, with international sales and support offices worldwide, Hughes Network Systems (www.hns.com) is a leading provider of wireless, satellite and enterprise network solutions. HNS is a unit of Hughes Electronics Corporation. The earnings of Hughes Electronics are used to calculate the earnings per share to GMH (NYSE symbol) common stock.

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